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May 18, 2018

*Via ECF*

Honorable George B. Daniels  
United States District Court  
Southern District of New York  
500 Pearl Street, Room 1310  
New York, New York 10007

Re: *Hudson Bay Master Fund Ltd. v. Patriot National, Inc., et al.*, No. 16-cv-02767 (GBD) (SDA) ("Hudson Bay I"); *CVI Investments, Inc. v. Patriot National, Inc.*, No. 16-cv-02787 (GBD) (SDA) ("CVI"); *Hudson Bay Master Fund Ltd. v. Del Pizzo, et al.*, No. 17-cv-06204 (GBD) (OTW) ("Hudson Bay II") -- Status Update

Dear Judge Daniels:

We write on behalf of Plaintiffs CVI Investments, Inc. ("CVI") and Hudson Bay Master Fund Ltd. ("Hudson Bay") in the above-referenced actions to provide the Court a status update pursuant to Your Honor's order at the March 1, 2018 conference.

As the Court is aware, on February 28, 2018, at the request of defendant Patriot National, Inc. ("Patriot"), the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") entered an order staying the above-referenced actions through May 29, 2018 and ordering the parties to mediate. As a result, this Court continued oral argument on various pending motions to May 31, 2018, immediately following the expiration of the stay.

Although mediation had proven unsuccessful, Patriot filed yet another motion with the Bankruptcy Court requesting a sixty day extension of the stay, purportedly to continue mediation efforts. On May 15, 2018, over CVI's and Hudson Bay's objections, the Bankruptcy Court entered an order continuing the stay for thirty days, rather than the sixty days Patriot requested, through June 28, 2018. Patriot has now already indicated that it intends to seek a further extension of the stay, although it is unclear on what basis it will make such a request. Hudson Bay and CVI do not agree to any further extension of the stay. Furthermore, the bankruptcy judge emphasized at the May 15, 2018 hearing on Patriot's motion to extend the stay that he would not extend the stay further in the absence of real progress toward a global settlement.

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Hudson Bay and CVII recognize that this Court will likely respect the stay issued by the Bankruptcy Court and cancel the hearing scheduled for May 31, 2018. Given that, Hudson Bay and CVII respectfully request that this Court reschedule that oral argument for the earliest date available on the Court's calendar after the extension of the stay expires on June 28, 2018. Further, as discussed during the conference on March 1, 2018, Hudson Bay and CVII respectfully request that the Court deem their pending motions for summary judgment on their breach of contract claims against Patriot as motions for summary judgment in their favor on Patriot's sole remaining breach of contract counterclaim. Patriot's breach of contract counterclaim rests on the same allegations as the affirmative defense it asserted against plaintiffs' breach of contract claims—which Patriot has already briefed and which this Court has already ruled requires no further discovery.

Respectfully submitted,

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